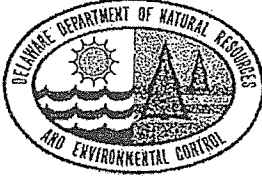


## **Section 15**

### *Environmental Permit Application Background Statement*



DELAWARE DEPARTMENT OF NATURAL RESOURCES  
AND ENVIRONMENTAL CONTROL ("DNREC")

ENVIRONMENTAL PERMIT APPLICATION  
BACKGROUND STATEMENT

Pursuant to 7 Del. C. Chapter 79

FILING STATUS:

This Background Statement is being filed with DNREC because:

- ☒ 1. It is an initial application for a new permit (or permits) and the applicant or applicant company has not held a permit issued by DNREC for a period of 5 or more years [See 7 Del. C. § 7902(a) and (b)];
- ☐ 2. It is required on an annual basis because the applicant or applicant company has been designated a chronic violator pursuant to 7 Del. C. § 7904 [See 7 Del. C. § 7902(a)(7) and (b)(2)]; or
- ☐ 3. It is required on an annual basis as the applicant or applicant company has been found guilty, pled guilty or no contest to any crime involving violation of environmental standards which resulted in serious physical injury or serious harm to the environment as defined in 7 Del. C. § 7902(c) [See 7 Del. C. § 7902(a)(7) and (b)(2)].

APPLICANT OR APPLICANT COMPANY'S NAME OR COMPANY'S NAME FILING STATEMENT	Gold Medal Environmental of DE, LLC 1000 Heald Street Wilmington, DE 19801
DATE OF APPLICATION OR DATE OF STATEMENT	
PERMIT(S) BEING APPLIED FOR OR STATEMENT FOR FILING STATUSES 2 OR 3	<input checked="" type="checkbox"/> Permit Type(s) <i>Transfer of Resource Recovery Facility</i> <i>No. SW-031317</i>
OTHER DNREC PERMITS HELD	<input checked="" type="checkbox"/> N/A - No other permits held with DNREC  <input type="checkbox"/> List of all DNREC permits currently held with dates of issuance and expiration attached.

## ENVIRONMENTAL PERMIT APPLICATION BACKGROUND STATEMENT

Please note: Companies filing statements pursuant to Chapter 79 have the right to identify information to be afforded confidential status pursuant to 7 Del. C. § 7903(b) and the requirements set forth in Section 6, "Requests for Confidentiality" of the DNREC *Freedom of Information Act Regulation*.

PROVIDING ALL OF THE INFORMATION REQUESTED IN THIS FORM SATISFIES THE REQUIREMENTS OF 7 DEL. C. CHAPTER 79 ("ENVIRONMENTAL PERMIT APPLICATION BACKGROUND STATEMENT") UNLESS THE DELAWARE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL ("DNREC") OR THE DELAWARE DEPARTMENT OF JUSTICE DETERMINES THAT ADDITIONAL SUBMISSIONS ARE NECESSARY. FAILURE TO PROVIDE THE INFORMATION REQUESTED OR PROVIDING ERRONEOUS INFORMATION IS GROUNDS FOR DENYING OR REVOKING AN ENVIRONMENTAL PERMIT/APPROVAL/LICENSE, AND FOR CIVIL AND/OR CRIMINAL PENALTIES.

A. (Authority - 7 Del. C. § 7902(a)(1&2) & § 7905) Attach a complete list (full names) of all current members of the applicant company's board of directors, all current corporate officers, all persons owning more than 20% of the applicant's stock or other resources, all subsidiary/affiliated companies with type of business performed, street addresses, all parent companies with addresses, all companies with which the applicant's company shares two or more members of the board of directors, and the name(s) of the person(s) serving as the applicant's local chief operating officer(s) with respect to each facility covered by the permit in question or for the statement required for filing Statuses 2 or 3. [Note: For companies that do not have a *facility* located in Delaware, no listing for the local chief operating officer(s) is required].

- ☒ Information attached
- ☐ Information attached, except for local chief operating officer as there is no facility located in the State of Delaware.

B. (Authority - 7 Del. C. § 7905) Please check one of the following selections below, showing type of ownership for the applicant or applicant/statement company:

- ☐ Proprietorship List the state, county, book record and page number where the certificate is found (Attach hereto).
- ☐ Partnership List the state, county, book record and page number where the certificate is found (Attach hereto).
- ☒ Corporation (LLCs included) List the city, state, date of incorporation, corporation file number, current corporate standing, registered agent, and address of the registered agent (Attach hereto).
- ☐ Municipality
- ☐ Public Institution/  
Government Agency
- ☐ Other \_\_\_\_\_

C. (Authority - 7 Del. C. § 7902(a)(3) & § 7905) Have any of the following been issued to or agreed to by the applicant or applicant/statement company, any employee, person, entity, or subsidiary/affiliated company, specified in response to Item A, for violation of any environmental statute, regulation, permit, license, approval, or order, regardless of the state in which it occurred, during the five years prior to the date of this application/statement

OFFENSE	YES	NO
Notice of Violation(s)	✓	
Administrative Order(s)		✓
Administrative Penalty(ies)		✓
Civil Action(s)		✓
Civil Penalty(ies)		✓
Civil and/or Administrative Settlement Agreement(s)		✓
Permit/License/Approval Revocation		✓
Arrest(s)		✓
Conviction(s)		✓
Criminal Penalty(ies)		✓
Criminal Plea Bargain		✓



D. (Authority - 7 Del. C. § 7902(a)(3), (a)(4) & § 7905) If you answered "yes" to any of the actions listed in Item C above for the applicant or applicant company or any other person identified in Item A, attach a description of the incidents or events leading to the issuance of each action, regardless of the state in which it occurred, for the 5 years prior to the date of the statement, and the disposition of each action, what state the action/offense occurred in, and any actions that have been taken to correct the violations that led to such enforcement action.

☐ N/A

☒ Information attached

E. (Authority - 7 Del. C. § 7902(a)(5) & § 7905) Attach a description of any felony or other criminal conviction for a crime involving harm to the environment or violation of environmental standards of any person or entity identified in Item A above that resulted in a fine greater than \$1,000 or a sentence longer than 7 days, regardless of whether such fine or sentence was suspended.

☒ N/A

☐ Description attached

F. (Authority - 7 Del. C. § 7902(a)(6) & § 7905) Attach copies of any and all settlements of environmental claims involving the applicant, associated with actions identified in response to Item D above, whether or not such settlements were based on agreements where the applicant did not admit liability for the action.

☒ N/A

☐ Information attached

### Items for Filing Statutes 2 or 3 Only

G. (Authority - 7 Del. C. § 7902(a)(7) and § 7905) If the applicant or applicant/statement company has been found guilty, pled guilty or no contest, to any crime involving violation of environmental standards which resulted in serious physical injury or serious harm to the environment attach a summary of the events involved and a copy of the disposition of the action (See 7 Del. C. § 7902(c) for definitions of "serious physical injury" or "serious harm to the environment" before answering this question.)

☒ N/A

☐ Yes – Information Attached.

H. (Authority - 7 Del. C. § 7902(a)(8)) – If the applicant or applicant/statement company has been designated a chronic violator under 7 Del. C. § 7904, a detailed written report from an independent inspector who has inspected the applicant's premises for the purpose of detecting potential safety and environmental hazards to employees and the surrounding community. The Secretary may waive the duty to submit a detailed written report upon a showing of good cause by the applicant. A showing by the applicant that the acts which caused it to be designated as a chronic violator did not jeopardize public health shall constitute "good cause" under this paragraph.

I. (Authority - 7 Del. C. § 7902(a)(7)) – If the applicant or applicant/statement company has been designated a chronic violation under § 7904 of this Title, OR has been found guilty or pled no contest to any crime involving violation of environmental standards which resulted in serious physical injury or serious harm to the environment, a statement made under oath by the applicant or applicant/statement company's local chief operating officer with respect to the facilities covered by the permit, stating that: (a) disclosures made by the applicant/reporting company under federal and state environmental statutes and regulations during the preceding calendar year have been, to the chief operating officer's knowledge, complete and accurate, and (b) that the facility has implemented policies, programs, procedures, standards or systems reasonably designed, in light of the size, scope, and nature of facility operations to detect and promptly correct any noncompliance with state environmental statutes and regulations. The statement filed pursuant to this paragraph shall include an acknowledgement by the affiant that intentionally false statements submitted in compliance with this paragraph constitute criminal perjury as defined at 11 Del. C. §§1221-1222.

STATE OF DELAWARE - DEPT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL  
ENVIRONMENTAL PERMIT BACKGROUND STATEMENT

CERTIFICATION

I HEREBY CERTIFY THAT I HAVE READ THE PRECEEDING SUBMISSION, HAVE PROVIDED ALL OF THE INFORMATION REQUESTED, AND THAT ALL OF THE INFORMATION PROVIDED IS TRUE AND ACCURATE TO THE BEST OF MY KNOWLEDGE AND BELIEF.

SIGNATURE - APPLICANT OR  
OFFICER OF APPLICANT / STATEMENT COMPANY

DATE: 11/30/16

NAME:

JAMES H. SAGE

TITLE:

VP + COO

COMPANY  
NAME:

GOLD MEDAL ENVIRONMENTAL / DE

ADDRESS:

1770 Hurffville Road  
Sewell, NJ 08080

TELEPHONE:

(856) 784-5050

FAX NUMBER:

(856) 537-6090

REGISTERED  
AGENT NAME:

National Corporate Research, Ltd

ADDRESS:

615 S. DuPont Highway Dover, DE 19901

TELEPHONE:

(800) 483-1140

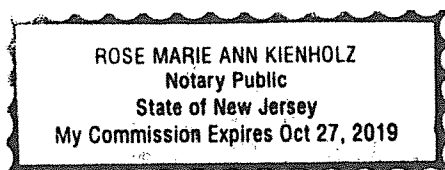
FAX NUMBER:

(800) 253-5177

SWORN TO AND SUBSCRIBED

BEFORE ME THIS 30<sup>th</sup> DAY OF

November, 2016

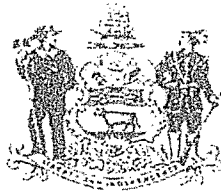


Rose Marie Ann Kienholz  
(NOTARY PUBLIC SIGNATURE (SEAL))

Rose Marie Ann Kienholz  
PRINTED NAME OF NOTARY PUBLIC

Del / Gloucester  
STATE / COUNTY

MY COMMISSION EXPIRES ON: 10/27/2019



STATE OF DELAWARE  
DEPARTMENT OF NATURAL RESOURCES  
AND ENVIRONMENTAL CONTROL  
DIVISION OF WASTE AND HAZARDOUS SUBSTANCES  
SOLID AND HAZARDOUS WASTE MANAGEMENT SECTION

89 KINGS HIGHWAY  
DOVER, DELAWARE 19901

TELEPHONE: (302) 739-9403  
FAX: (302) 739-5060

May 9, 2016

Certified Mail  
Return Receipt Requested  
7011 2000 0002 12206213

NOTICE OF VIOLATION  
16-SW-08

Mr. Jim Sage, Vice President and Chief Operating Officer  
Gold Medal Environmental of DE, LLC  
1770 Hurffville Road  
Sewell, NJ 08080

Subject: Notice of Violation – Gold Medal Environmental of DE, LLC  
Reference: Gold Medal Environmental of DE, LLC Permit #SW-03C17, File Code: 07.A

Dear Mr. Sage:

On April 13, 2016, Delaware Department of Natural Resources and Environmental Control, Solid and Hazardous Waste Management Section ("SHWMS" or "Department") representatives conducted a compliance assessment at Gold Medal Environmental of DE, LLC ("Gold Medal"). On the basis of the information gathered during the assessment and unmet reporting deadlines, Gold Medal Environmental of DE, LLC, is found in violation of Resource Recovery Facility Permit #SW-03C17 ("Permit"). The violations observed include, but are not limited to:

1. Cardboard is being unloaded outside of the Main Process Building by small haulers. This is a violation of Section II.C of the Permit, which states in part:

*"Waste Handling: All waste tipping, handling, and sorting operations shall be conducted within the Main Process Building..."*

2. Unbaled cardboard is being stored outside in roll-off containers. Fourteen tractor trailers were on site containing unprocessed recyclable materials. This is a violation of Section II.E.2 of the Permit, which states:

*Delaware's good nature depends on you!*



*"Locations: All recyclable waste materials (including processed, partially processed, and unprocessed waste materials) shall be stored in one of the following locations:*

- a. Storage Area 1 is located inside the Main Process Building and shall be utilized to store the majority of processed, partially processed, and unprocessed waste materials.*
  - b. Storage Area 2 is located outdoors and is limited to two (2) – 40 cubic yard roll-off containers of processed recyclable materials (i.e., recovered wood and recovered metal). One roll-off shall be designated for recovered wood and the other for recovered metal.*
  - c. Storage Area 3 is located outdoors and is limited to five (5) fully enclosed shipping containers (i.e., box vans, walking floor units, and/or overseas containers) of processed recyclable materials awaiting off-site shipment."*
3. Failure to immediately provide records for Department review upon request. Gold Medal could not provide required records for Department review at the time of the April 2016 compliance assessment. The Department allowed Gold Medal an additional twenty-four hours to provide the records, however, the records were not provided. Gold Medal later committed to providing records by April 22, 2016, but, to date, records still have not been provided. This is a violation of Section IV.A of the Permit, which states:

*"The following information shall be recorded and the records retained by Gold Medal Environmental of DE, LLC for at least three (3) years. The information shall be kept onsite and made immediately available to DNREC for review upon request.*

- 1. A record of the type and weight of recyclable waste materials received at the site each day.*
  - 2. A record of the type and weight of recyclable materials sent offsite each day and the name and address of the end-market user to which the recyclable materials were shipped.*
  - 3. A record of the weight and percentage of out-throws generated by the facility, as described in Section 8.1 of the Operations Plan.*
  - 4. A record of any rejected loads and the reason for rejection.*
  - 5. A record of the transporters (company name, address, telephone number, and solid waste transporter number, if applicable) delivering recyclable waste materials to the facility or removing solid wastes from the facility.*
  - 6. A record of fires, spills, explosions, and uncontrolled releases that occurred at the facility.*
  - 7. Operational inspection records, as required by Section 8.2 of the Operations Plan.*
  - 8. Training records, as required by Sections 6.0 and 8.2 of the Operations Plan.*
  - 9. Records of any odor, litter, vector or dust complaints received by Gold Medal Environmental of DE, LLC concerning the facility.*
  - 10. Any additional records identified in Section 8.0 of the Operations Plan."*
4. Failure to calculate the percent of out-throws. During the April 2016 compliance assessment, Gold Medal admitted the percentage of out-throws had not been calculated for February and March of 2016. This is a violation of Section II.K.1 of the Permit, which states in part:

*"...The percentage of out-throws shall be calculated at the end of each month..."*

5. Failure to submit an updated financial assurance document, including an updated closure cost estimate. This is a violation of Section III.A of the Permit, which states:

*"Financial Assurance*

*No later than December 31<sup>st</sup> of each year, Gold Medal Environmental of DE, LLC shall submit an updated financial assurance document, as required in DRGSW Section 4.1.11. The submittal shall also include an updated estimate of the cost of third party closure of the facility which has been adjusted for inflation."*

6. Failure to submit a complete Annual Solid Waste Facility Report. The annual report did not address rejected loads, deviations from the operations plan, or construction or corrective work conducted at the site. Additionally, the report did not include a summary of the percentage of monthly out-throws generated nor a list of the commercial haulers used to remove solid waste from the Gold Medal site. The information regarding commercial haulers of incoming recyclable waste did not include Delaware solid waste transporter numbers for any hauler. This is a violation of Section III.B of the Permit, which states:

*"Annual Solid Waste Facility Report*

*No later than March 1st of every year, Gold Medal Environmental of DE, LLC shall submit an annual report to the SHWMS. This annual report shall summarize operations for the previous calendar year and include the following information:*

- 1. Types and weight or volume of recyclable waste materials received at the site.*
  - 2. A list of any rejected loads and the reason for rejection.*
  - 3. Types and weight or volume of recyclable materials sent offsite and the name and address of the end market user.*
  - 4. Weight or volume of out-throws sent offsite and the location and ultimate disposal of the out-throws.*
  - 5. Summary of the percentage of out-throws generated each month.*
  - 6. A complete list of the commercial haulers that delivered recyclable waste materials to or removed solid waste from the site during the calendar year. The list shall include the transporter's Delaware solid waste transporter number, if the company has obtained a permit.*
  - 7. A discussion of the feasibility of recycling materials currently being received by the facility but that are not being recycled.*
  - 8. A summary of fires, spills or uncontrolled releases that occurred at the facility.*
  - 9. A description of any unintentional or accidental deviation from the approved Operations Plan.*
  - 10. A description of any construction or corrective work conducted at the site that was completed in accordance with an approved plan or to comply with a requirement under DRGSW."*
7. Failure to conduct operations in accordance with the approved operations plan, specifically Sections 3.1 regarding the Facility Layout and Design, 4.1.3 regarding the Vehicle Unloading and Inspection Procedure, 8.1 regarding Recordkeeping of Shipping Documents and 8.2 regarding Recordkeeping of Operating Records. This is a violation of Section II.A.2. of the Permit, which states in part:

*"Operations at the material recovery facility shall be conducted in accordance with this permit and the Resource Recovery Permit Application, including the Operations Plan revised December 2013..."*

Gold Medal shall completely and accurately submit the required reports and come into compliance with these violations within thirty (30) days of receipt of this Notice. Gold Medal shall submit documentation demonstrating compliance within forty-five (45) days of receipt of this Notice to:

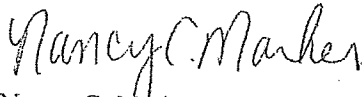
Mindy Anthony  
DNREC-SHWMS  
89 Kings Highway  
Dover, Delaware 19901

Please know that this Notice of Violation will be made available through the Department internet site, which can be found at [www.dnrec.delaware.gov](http://www.dnrec.delaware.gov). Information concerning your company's

noncompliance with Resource Recovery Facility Permit #SW-03C17 will be posted within 24 hours following your receipt of this notice. The Department reserves the right to take additional enforcement actions regarding these and other violations at the facility.

If you have any questions regarding the content of this Notice, please feel free to contact Mindy Anthony of the Solid and Hazardous Waste Management Section at (302) 739-9403, option 8.

Sincerely,



Nancy C. Marker  
Environmental Program Administrator  
Solid and Hazardous Waste Management Section

cc:

James Gill, General Manager, Gold Medal Environmental of Delaware, LLC (via e-mail)

NCM:MA:drb  
GoldMedEnvDE050916



STATE OF DELAWARE  
DEPARTMENT OF NATURAL RESOURCES  
AND ENVIRONMENTAL CONTROL  
DIVISION OF WASTE AND HAZARDOUS SUBSTANCES  
SOLID AND HAZARDOUS WASTE MANAGEMENT SECTION

89 KINGS HIGHWAY  
DOVER, DELAWARE 19901

July 21, 2016

TELEPHONE: (302) 739-9403  
FAX: (302) 739-5060

Certified Mail  
Return Receipt Requested  
7015 0640 0000 6593 2516

NOTICE OF VIOLATION  
16-SW-03

Mr. Jim Sage, Vice President and Chief Operating Officer  
Gold Medal Environmental of DE, LLC  
1770 Hurffville Road  
Sewell, NJ 08080

Subject: Notice of Violation – Gold Medal Environmental of DE, LLC  
Reference: Gold Medal Environmental of DE, LLC Permit #SW-03C17, File Code: 07.A

Dear Mr. Sage:

In response to Notice of Violation 16-SW-08, Gold Medal Environmental of DE, LLC ("Gold Medal") submitted various records that Gold Medal was unable to provide during an April 13, 2016 compliance assessment. On the basis of the information gathered during the review of these records, Gold Medal Environmental of DE, LLC, is found in violation of Resource Recovery Facility Permit #SW-03C17 ("Permit"). The violations observed include, but are not limited to:

1. Accepting recyclable waste materials on a Sunday, specifically August 16, 2015, August 23, 2015, October 4, 2015, October 11, 2015, October 18, 2015, and October 25, 2015. This is a violation of Section I.D.8 of the Permit, which states in part:

*"...the facility shall only accept recyclable waste materials from 6:00 a.m. until 6:00 p.m. Monday through Friday, and 7:00 a.m. until 12:00 p.m. on Saturday..."*

2. Failure to maintain complete records. Of the forty-four (44) commercial waste haulers listed, eleven (11) had transporter permit numbers that were not included and one company was misidentified as a hauler. Operational inspection records were incomplete and did not include equipment inspection and maintenance records. Daily inspections were not completed twenty-two (22) times. Daily inspections were signed off on but were not completed on nine (9) separate occasions. Daily inspection sheets did not include all required parameters to be inspected, including odors; dust; equipment, site operations and site conditions; and visual inspection of receiving, processing and storage areas and perimeter for evidence of unintentional release. On one daily inspection sheet, one area was noted as being deficient, however corrective actions, if taken, were not documented. Training records did not include documentation of equipment training. Records required in Section 8.0 of the Operations Plan were either not provided or were incomplete for equipment inspection and maintenance records; training records; and monthly fire or safety inspections. This is a violation of Section IV.A of the Permit, which states:

*Delaware's good nature depends on you!*

*"The following information shall be recorded and the records retained by Gold Medal Environmental of DE, LLC for at least three (3) years. The information shall be kept onsite and made immediately available to DNREC for review upon request..."*

5. *A record of the transporters (company name, address, telephone number, and solid waste transporter number, if applicable) delivering recyclable waste materials to the facility or removing solid wastes from the facility...*
  7. *Operational inspection records, as required by Section 8.2 of the Operations Plan.*
  8. *Training records, as required by Sections 6.0 and 8.2 of the Operations Plan...*
  10. *Any additional records identified in Section 8.0 of the Operations Plan."*
3. Failure to conduct operations in accordance with the approved Operations Plan, specifically Sections 5.1 regarding Routine Inspections of Storage and Process Areas, 6.0 regarding Health and Safety Employee Training, and 7.0 regarding the Contingency Plan and Emergency Response Plan. This is a violation of Section II.L. of the Permit, which states:

*"Operations at the material recovery facility shall be conducted in accordance with this permit and the Resource Recovery Permit Application, including the Operations Plan revised December 2013..."*

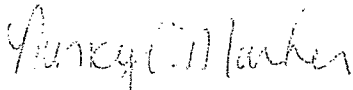
Gold Medal shall come into compliance with these violations within thirty (30) days of receipt of this Notice. Gold Medal shall submit documentation demonstrating compliance within forty-five (45) days of receipt of this Notice to:

Mindy Anthony  
DNREC-SHWMS  
89 Kings Highway  
Dover, Delaware 19901

Please know that this Notice of Violation will be made available through the Department internet site, which can be found at [www.dnrec.delaware.gov](http://www.dnrec.delaware.gov). Information concerning your company's noncompliance with Resource Recovery Facility Permit #SW-03C17 will be posted within 24 hours following your receipt of this notice. The Department reserves the right to take additional enforcement actions regarding these and other violations at the facility.

If you have any questions regarding the content of this Notice, please feel free to contact Mindy Anthony of the Solid and Hazardous Waste Management Section at (302) 739-9403, option 8.

Sincerely,



Nancy C. Marker  
Environmental Program Administrator  
Solid and Hazardous Waste Management Section

NCM:MA:krc  
GoldMedalNov 07A 072116